



PIMCO GIS Income Fund Manager Review – January 2026

This document provides a comprehensive review of the PIMCO GIS Income Fund, drawing on fund factsheets, supporting fund material, and due-diligence responses to assess the strategy, philosophy, performance and role within a diversified portfolio.

Strategy and Objective

The PIMCO GIS Income Fund is designed to maximise current income while preserving capital and delivering modest long-term capital growth. It is widely regarded as PIMCO's flagship income strategy, reflecting both its scale and the central role it plays within the firm's global multi-asset income offering.

The fund targets:

- A consistent income stream of 5–6%
- Modest capital appreciation of 0.5–1.5%
- An overall return objective of 6–7% per annum (before fees) over a full market cycle

The strategy is benchmark-agnostic, allowing the managers to allocate capital dynamically across the global fixed income universe rather than being constrained by index composition.

Investment Philosophy & Edge

The core philosophy is simple but demanding: generate attractive income without stretching for yield or compromising capital resilience.

PIMCO's edge comes from combining:

- A global, multi-sector opportunity set
- Duration and credit flexibility
- A strong preference for structural seniority
- Rigorous risk management and downside awareness

Rather than chasing the highest yields available, the fund focuses on risk-adjusted income, seeking to balance higher-quality assets (such as government and agency bonds) with higher-yielding credit where compensation is deemed sufficient.

A defining characteristic is PIMCO's “bend, don't break” approach, accepting modest volatility in pursuit of income, while aiming to avoid permanent capital impairment.

Team and Resources

The fund is managed by a highly experienced and well-resourced team at PIMCO, led by:

- Daniel Ivascyn – Group CIO
- Alfred Murata – CIO, Core Strategies
- Joshua Anderson – Portfolio Manager

Final investment decisions are made on a team-based, consensus-driven basis, supported by:

- Over 270 portfolio managers
- More than 80 dedicated credit analysts
- Over 75 quantitative analysts globally

While there has been some senior analyst turnover within the wider Income Team in recent years. It is worth highlighting that there have been no significant changes in the last three years. Any changes have not affected the lead PM structure or decision-making framework, which remains stable and deeply institutionalised.

Investment Process

The investment process integrates top-down macro insights with bottom-up security selection, drawing on PIMCO's specialist desks across regions and asset classes.

Key elements include:

Global Opportunity Set

The fund can invest across the entire \$155.8 trillion global fixed income universe, spanning:

- Government and agency bonds
- Investment grade and high yield credit
- Securitised assets (MBS, ABS)
- Emerging market debt
- Select currency exposures

Duration and Credit Flexibility

- Duration typically managed within a 0–8 year range
- Credit exposure actively balanced between quality and yield
- High yield exposure capped at less than 50% of the portfolio

Structural Seniority

A strong bias towards:

- Senior and secured debt
- Assets higher up the capital structure

This is designed to improve recovery prospects during periods of market stress.

Active Risk Management

Risk is assessed across three primary dimensions:

- Duration risk (c. 30–40%)
- Spread / credit risk (c. 40–60%)
- Currency risk (0–10%)

Currency exposure is actively managed but is not a primary driver of returns.

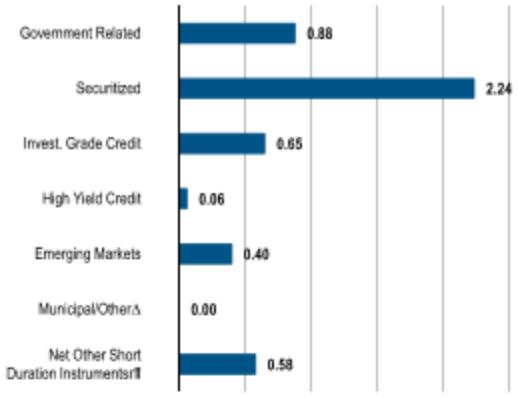
Portfolio Characteristics

Top 10 Holdings (%MV)*

FNMA TBA 6.0% NOV 30YR	11.3
FNMA TBA 6.5% NOV 30YR	10.5
FNMA TBA 5.0% NOV 30YR	9.3
FNMA TBA 5.5% NOV 30YR	5.9
FNMA TBA 4.0% NOV 30YR	3.0
FNMA TBA 4.5% NOV 30YR	2.4
U S TREASURY INFLATE PROT BD	2.3
PROJECT BEIGNET SR SEC 144A	2.0
U S TREASURY NOTE	1.8
BNP PARIBAS ISSUANCE BV SR SEC "ABS"	1.6

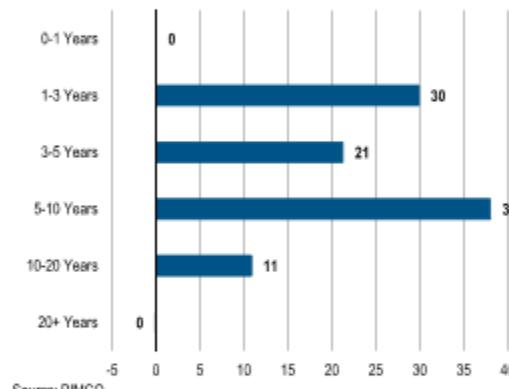
*Top 10 holdings as of 30/09/2025, excluding derivatives.
Source: PIMCO

Sector Allocation (Duration in Years)



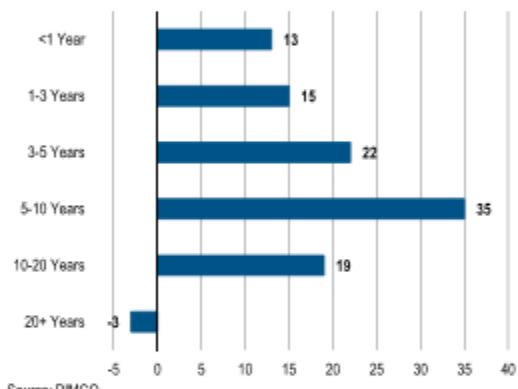
Source: PIMCO

Maturity (%MV)



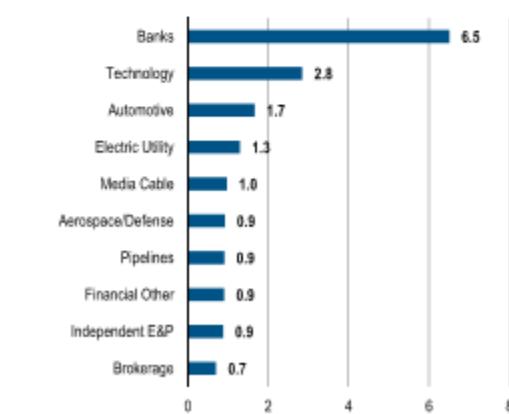
Source: PIMCO

Duration (%DWE)



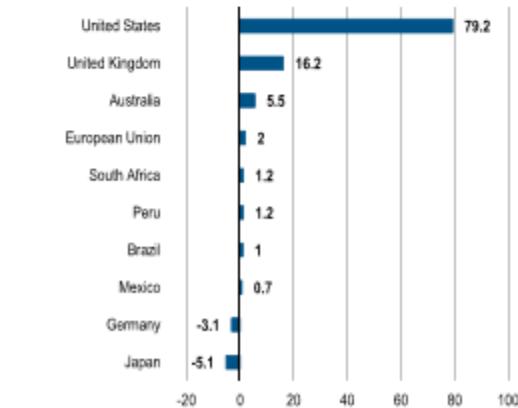
Source: PIMCO

Top 10 Industries (%MV)



Source: PIMCO

Top 10 Countries by Contribution to Total Duration (% DWE)



Countries are categorized by currency of settlement. ENU-member countries reflect the country of exposure for EUR-denominated securities. Europe represents European Union instruments that cannot be separated by specific country.
Source: PIMCO

The portfolio is highly diversified, typically holding 6,500–7,000 individual securities, reflecting:

- Extensive use of securitised markets
- Broad issuer and sector diversification
- Liquidity management considerations

Key characteristics (as at November 2025):

- Effective duration: 4.8 years
- Estimated yield to maturity: 6.0%
- Monthly income distribution
- Flexible geographic and sector exposure

Turnover is relatively high (c. 180%+), driven by:

- Active duration management
- Short-dated instruments
- Tactical repositioning during volatile markets

This reflects implementation mechanics, not a short-term investment mindset.

Performance Overview

Past performance does not predict future results.

Performance (Net of Fees)	1 Mo.	3 Mos.	6 Mos.	1 Yr.	3 Yrs.	5 Yrs.	10 Yrs.	SI
Administrative, Acc (%)	0.71	2.76	6.47	8.85	7.53	3.49	0.00	4.03
Administrative, Inc (%)	0.60	2.71	6.39	8.75	7.52	3.47	4.34	4.93
Benchmark (%)	0.62	2.35	4.89	5.70	4.56	-0.31	1.99	—

Past Performance is not a guarantee or reliable indicator of future results and no guarantee is being made that similar returns will be achieved in the future.

Past performance does not predict future results.

Performance (Net of Fees)	Nov'2020-Nov'2021	Nov'2021-Nov'2022	Nov'2022-Nov'2023	Nov'2023-Nov'2024	Nov'2024-Nov'2025
Administrative, Acc (%)	2.52	-6.87	5.10	8.70	8.85
Administrative, Inc (%)	2.44	-6.86	5.10	8.76	8.75
Benchmark (%)	-1.15	-12.84	1.18	6.88	5.70

The following information is additional to, and should be read only in conjunction with, the calendar year performance data presented below.

Past performance does not predict future results.

Calendar Year (Net of Fees)	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	YTD
Administrative, Acc (%)	—	—	—	-0.28	8.56	6.04	2.06	-7.93	8.08	4.88	9.69
Administrative, Inc (%)	2.40	7.84	6.79	-0.24	8.58	5.98	2.11	-7.95	8.08	4.92	9.60
Benchmark (%)	0.55	2.65	3.54	0.01	8.72	7.51	-1.54	-13.01	5.53	1.25	7.46

Current MiFID legislation prevents us from reporting performance data for funds with less than a 12 month track record.

The benchmark is the Bloomberg U.S. Aggregate Index

All periods longer than one year are annualised. SI is the performance since inception.

Over multiple market cycles, the fund has delivered:

- Consistent income
- Lower volatility than many credit-heavy peers
- Strong relative performance versus the Bloomberg US Aggregate Index, despite not being managed to it

Notably:

- 2022 was a challenging year as rates and spreads repriced sharply
- However, the fund still outperformed the benchmark due to its flexible duration positioning
- Performance rebounded strongly as income carry and spread compression resumed

Strengths

- Flagship, well-resourced strategy within PIMCO
- Strong focus on income reliability, not headline yield
- Benchmark-agnostic flexibility
- Deep diversification and institutional-grade risk management
- Suitable for decumulation and income-focused portfolios

Key Risks & Considerations

- Exposure to credit markets means performance may lag government bonds during severe crises
- High turnover can obscure the long-term nature of underlying positions
- Complexity may be less transparent for non-professional investors
- Income levels are not guaranteed and may vary with market conditions

Role in a Portfolio

The PIMCO GIS Income Fund is particularly well suited to:

- Core income allocations within a retirement portfolio
- Natural yield generation to support drawdown strategies
- Blending with defensive assets and growth-oriented equities

It can play a central role in:

- Centralised Retirement Propositions (CRPs)
- Portfolios targeting sustainable income with controlled volatility
- Reducing reliance on equity income alone

Points of Difference

- True global, multi-sector income approach
- Benchmark-agnostic construction
- Emphasis on downside risk mitigation
- Structural seniority focus
- Institutional scale and research depth

Money Wise UK Summary View

The PIMCO GIS Income Fund remains one of the most credible and robust income strategies available for retirement-focused investors.

Its appeal lies not in chasing yield, but in engineering income resilience across market environments through diversification, flexibility and disciplined risk management. While no income fund is immune to volatility, this strategy is well aligned with the needs of investors seeking sustainable income, capital awareness and behavioural comfort in retirement.

For advisers constructing long-term retirement solutions, this fund continues to justify its reputation as PIMCO's flagship income offering.

Disclaimer

Past performance is not a reliable guide to future results. The value of investments can fall as well as rise, and investors may not get back the amount originally invested.

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This review has been prepared for informational purposes only, based on publicly available fund documentation, performance materials, and meetings with the fund manager. Money Wise UK has not received any fee for preparing this review.

Private investors should conduct their own research and seek independent financial advice before making investment decisions. Financial advisers may use this material as part of their own due diligence, but it should not be relied upon as the sole basis for making recommendations.

Review Completed: January 2026